



DEPARTMENT OF THE TREASURY  
COMMUNITY DEVELOPMENT FINANCIAL INSTITUTIONS FUND  
601 THIRTEENTH STREET, NW, SUITE 200 SOUTH  
WASHINGTON, DC 20005

## **Ohio**

### **Enterprise Community Fund (1998 CDFI-Core)**

Location: Akron, Ohio  
Award: \$230,000 (\$50,000 Capital Grant, \$150,000 Loan and \$30,000 Technical Assistance)  
Type: Microenterprise Fund  
Contact: Grady P. Appleton - (330) 773-6838

Enterprise Community Fund (ECF), a non-profit business loan fund, makes working capital loans to small and micro-businesses in the distressed neighborhoods of the Akron Enterprise Community. ECF also provides businesses with much needed technical assistance. The CDFI Fund's award will be used by ECF to expand its lending for small amounts of working capital that banks have been unwilling to finance. With the help of the CDFI Fund investment, this awardee seeks to promote more stable businesses and expand job opportunities for low-income individuals in the Akron Enterprise Community.

### **Cornerstone Homesource Regional Loan Fund (1998 CDFI-Tech Asst)**

Location: Cincinnati, Ohio  
Award: \$35,000 technical assistance grant  
Type: Housing/Facilities Loan Fund  
Contact: Margery Spinney - (513) 985-0774

Cornerstone Homesource Regional Loan Fund is a nonprofit housing loan fund in Cincinnati, Ohio with a 12-year track record of service to low- and very low-income families and individuals in the greater Cincinnati area. The loan fund serves its low-income targeted population by providing affordable housing financing to community-based nonprofit housing organizations. The CDFI Fund's \$35,000 Technical Assistance Grant will be used to update the organization's loan tracking database system. It will also enable Cornerstone to obtain consulting services to evaluate and improve its current loan products and to analyze the viability of creating a new lending product intended to help low-income families and individuals build equity through ownership of housing.

### **Faith Community United Credit Union (1996 CDFI)**

Location: Cleveland, Ohio  
Award: \$350,000 (\$200,000 grant and \$150,000 technical assistance)  
Type: community development credit union  
Service area: Cleveland's lower east side  
Products: consumer financial services and loans  
Contact: Ms. Rita Haynes - (216) 271-7111

Started as a church congregation based credit union in 1957, Faith has grown into a full fledged community development credit union to better serve the low-income African-American community on the

east side of Cleveland. It now has almost 2,500 members and serves its membership with consumer auto and mortgage loans. A \$200,000 grant from the CDFI Fund will provide a significant boost to its net worth which can be leveraged many times over through increasing member and nonmember shares. Growth of capital will allow expansion of financial services to its community. Expansion of services is based on a strategic planning process supported by the Lilly Endowment and the Cleveland and Gund Foundations. The credit union intends to expand into home improvement loans and acquisition/repair loans as a strategy to turn vacant properties into owner occupied homes.

### **Key Bank USA (1999 BEA)**

Location: Cleveland, Ohio  
Award: \$110,000  
Contact: Stephanie Turner - (216) 689-5340

Key Bank USA of Cleveland, Ohio received an award of \$110,000 for providing financial support to two certified Community Development Financial Institutions. The bank made loans totaling \$1,000,000 to Local Initiatives Support Corporation and The Enterprise Foundation. The awardee is a national bank with \$5.4 billion in assets.

### **ShoreBank, Cleveland (1998 BEA)**

Location: Cleveland, Ohio  
Award: \$103,619  
Contact: Charles Rial - (216) 268-6100

Shorebank, Cleveland, of Cleveland, Ohio was awarded \$103,619 for increasing its consumer, single and multi-family housing, and business lending activities in Cleveland's most distressed neighborhoods. Lending in these targeted areas totaled approximately \$5,000,000. Shorebank, Cleveland's lending strategy focuses on building wealth through real estate ownership and savings investment; developing the target area housing market; and growing businesses in the city and the region. Shorebank Cleveland is a state chartered bank with total assets of \$47.7 billion.

### **ShoreBridge Capital (1996 CDFI)**

Location: Cleveland, Ohio  
Award: \$1.5 million (\$750,000 equity and \$750,000 grant)  
Type: inner city community development venture fund  
Service Area: Cleveland, Ohio  
Products: subordinated debt with equity features  
Contact: Mr. Charles Rial - (216) 268-6109

This proposed community development venture capital fund presents an important model for using mezzanine capital as part of a strategy for inner city revitalization. The comprehensive program design combines an investment strategy with forging linkages between labor force development and business development and expansion. These activities will be coordinated with Cleveland's Supplemental Empowerment Zone. Subordinated debt with revenue participations will be used as a means of making venture investments in businesses with potential for growth and expansion of its employment base. ShoreBridge will particularly focus on companies that offer upward mobility for low-income workers. ShoreBridge is managed by Cleveland Enterprise Group, a nonprofit affiliate of Cleveland Development Bancorporation (which is a subsidiary of Shorebank Corporation). The infusion of \$1.5 million in investment from the CDFI Fund (\$750,000 equity in ShoreBridge, and \$750,000 grant to Cleveland Enterprise Group), along with capital from other investors, will be used for financing to bring, retain and expand the area's employment base, particularly focused on manufacturers in Cleveland's lower-income

neighborhoods. This degree of innovation, -and the comprehensive nature of this endeavor makes ShoreBridge a model worthy of close attention.

### **National City Bank of Columbus (1996 BEA)**

Location: Columbus, Ohio  
Award: \$275,000

#### Rewarded Activities

National City Bank of Columbus (National City) was awarded \$275,000 for providing a \$2.5 million line of credit to the Columbus Growth Fund, a certified CDFI, to be used to provide gap financing for businesses. This financing will enable businesses to expand and create jobs for residents of targeted neighborhoods. National City was the lead bank in a partnership with four other financial institutions to establish the Columbus Growth Fund. The City of Columbus is also supporting the effort by capitalizing a loan loss reserve for the Columbus Growth Fund.

#### Post Award Activity

National City has used its award to make a grant to the Columbus Growth Fund. The grant serves as additional equity for the Columbus Growth Fund allowing it to leverage additional funds in the form of bank loans.

### **The Columbus Growth Fund Inc. (1999 CDFI - Tech Asst)**

Location: Columbus, Ohio  
Award: \$25,000  
Type: Business Loan Fund  
Contact: Mr. Brad Shimp - (614) 645-8583

The Columbus Growth Fund of Columbus, Ohio (CGF) is a non-profit business lender established in September 1996 to promote community development in the city of Columbus. CGF specifically targets distressed areas in the City of Columbus including Columbus Enterprise Community and the Empowerment Zone. CGF provides working capital financing to businesses that have difficulty obtaining credit from traditional financial institutions. The technical assistance award will be used to train trustees in community development lending; evaluate CGF's legal and organizational structure; and engage consultants to assist with strategic planning.

### **Appalachian Development Federal Credit Union (1998 CDFI – Core)**

Location: The Plains, Ohio  
Award: \$610,000 (\$70,000 Capital Grant, \$500,000 Deposit and \$40,000 Technical Assistance)  
Type: Community Development Credit Union  
Contact: Michelle Greenfield - (740) 797-9646

Appalachian Development Federal Credit Union (ADFCU) is a new low-income credit union, which opened its doors in 1996. The awardee provides basic financial services to individuals who do not have banking relationships with other institutions, including low-minimum savings accounts, direct deposit accounts, and low-cost money orders. ADFCU also provides consumer loans for home and car repairs and other family expenses. ADFCU is engaged in innovative programs to assist low-income individuals build their assets, including an individual development account program, and a Drive to Work program which helps individuals meet work-related transportation needs through used car loans and related training. With the help of the CDFI Fund, ADFCU will expand its lending and build its capacity.

**Enterprise Development Corporation (1997 CDFI-Core)**

Location: The Plains, Ohio  
Award: \$125,000 grant  
Type: Microenterprise  
Contact: Ms. Karen Mocker Patton - (614) 797-9646

Enterprise Development Corporation (Enterprise) was founded nineteen years ago to promote enterprise development in a 30-county largely rural region of Appalachian Ohio. This CDFI provides loans to emerging businesses owned by lower income, women and minority residents. Enterprise complements lending with training and technical assistance programs and sponsored the foundation of a community development credit union. In the past five years, Enterprise has made 186 loans to small and micro-businesses, creating or retaining 630 jobs. A \$125,000 grant from the CDFI Fund will be used to serve the credit needs of more small businesses in southeastern Ohio.

**(1998 CDFI-Tech Asst)**

Award: \$37,350 technical assistance grant  
Type: Microenterprise Fund  
Contact: Karen Mocker Patton - (740) 797-9646

The Enterprise Development Corporation (EDC) is a certified CDFI that provides small business development and microloans to entrepreneurs in distressed communities in Southeast, Ohio. The EDC is being awarded a \$37,350 Technical Assistance grant that will be used to increase its operational efficiency and capacity. Specifically, the grant will be used to obtain staff training in credit analysis and use of technology, computer hardware and related software and services, and professional consulting services for strategic planning and financial management.

**Neighborhood Housing Services of Toledo, Inc. (1998 CDFI-Tech Asst)**

Location: Toledo, Ohio  
Award: \$50,000 technical assistance grant  
Type: Housing/Facilities Loan Fund  
Contact: Mr. William E. Farnsel - (419) 691-2900

Neighborhood Housing Services of Toledo, incorporated in May 1977, is a nonprofit corporation with a mission of providing affordable housing to low-income families and individuals through collaboration with public and private partners, including lenders. The CDFI Fund's \$50,000 Technical Assistance Grant will be used to purchase computers and related peripheral hardware and portfolio management software. It will also enable the NHS to obtain consulting services to develop a market analysis, implement a consortium lending plan, and design a web site.

**(1999 CDFI-Core)**

Award: \$2,250,000  
Type: Housing/Facilities Loan Fund  
Contact: William E. Farnsel - (419) 691-2900

Neighborhood Housing Services of Toledo (NHST), established in 1977, primarily lends to low- and moderate-income households to help them become homeowners. It provides first mortgages, second mortgages, and down payment assistance, as well as pre-purchase education and counseling, targeted affordable housing development, and a weatherization program. The CDFI Fund's \$2,250,000 award (\$250,000 capital grant, \$2,000,000 loan) will be used to strengthen NHST's primary loan pool, the Toledo Family Housing Fund.

**Northwest Ohio Development Agency (1999 CDFI - Tech Asst)**

Location: Toledo, Ohio  
Award: \$50,000  
Type: Housing/Facilities Loan Fund  
Contact: Lisa Rice - (419) 243-6163

Northwest Ohio Development Agency (NODA) of Toledo, OH was established in May 1998 as the lending arm of the Fair Housing Opportunities of Northwest Ohio, Inc. NODA's mission is to provide affordable housing loans equity investments grants and supportive financial services. The technical assistance grant will be used to engage consultants for market analysis and to develop a product development plan and for staff and board training.